



DAWIA Certification Training DAU Pricing Resources and Issues

**Presented by
Professor Renee Butler
Director, DAU Pricing Learning Center
of Excellence
20 May 2009**



Overview

- **Changes to DAWIA Certification Training for Contracting**
- **DAU Pricing Learning Center of Excellence and Pricing Resources**
- **Pricing Special Interest Topics**



Contracting Functional IPT

- **Director of Defense Procurement and Acquisition Policy (DPAP)**
 - **Functional Leader for the Contracting Career Field**
 - **Works with DoD's Senior Procurement Executives and the Defense Acquisition University to put in place a continuous competency-based management process**
- **Define the competencies required for the Contracting Community to deliver mission critical capabilities**
- **Assess competencies resident in the Contracting Community and identify gaps for current and future requirements**
- **Align/adjust personnel strategies to address competency gaps and provide opportunities for training and development**



Competencies

- **11 Units of Competency**
 - **10 Technical Units and 1 Professional Unit**
 - **28 Technical and 10 Professional Competencies**
 - **52 Technical Elements and 10 Professional Elements**

Units	Competencies	Elements
Advanced Cost and/or Price Analysis	Advanced Cost and/or Price Analysis	Evaluate the reasonableness of the contractor's proposed price...
		Develop positions on price-related contract terms and conditions...
		Evaluate award/incentive for plans

<http://www.acq.osd.mil/nap/ops/docs/cca-contractingcompetencymodel.xls>



FY 09 Contracting Training

P = Prerequisite

Level I Certification

CON 100

Shaping Smart Business Arrangements

20 hrs online

CON 110

Mission Support Planning

23 hrs online

CON 112

Mission Performance Assessment

14 hrs online

1 CLM: Contract Format and Structure (CLC033)

CON 111

Mission Planning Execution

26 hrs online

CON 120

Mission Focused Contracting

10 class days

- Knowledge based
- GS 5-9 & E7-03

Level I "Core Plus" Courses & CL Module
(See DAU catalog for details)

Level II Certification

ACQ 101

Fundamentals of Sys Acq Mgt

25 hrs, online

CON 214

Business Decisions for Contracting

40 hrs online

CON 216

Legal Considerations in Contracting

40 hrs online

CON 215

Intermediate Contracting for Mission Support

Online + 8 class days

CON 217

Contract Pricing and Negotiations

32 hrs online + 5 days CR

CON 218

Advanced Contracting for Mission Support

Online + 9.5 class days

- Application/case based
- GS 9-12 & E7-04

Level II "Core Plus" Courses & CL Module
(See DAU catalog for details)

Level III Certification

1 CLM: Harvard Business Series

ACQ 201A

Interim. Sys Acquisition

35 hours, online

CON 353

Adv. Bus Solutions Mission Support

Online + 9.5 days classroom

- Case/scenario based
- GS 13-14 & E7-05

Level III "Core Plus" Courses & CL Module
(See DAU catalog for details)



Certification and...

CERTIFICATION STANDARDS & CORE PLUS DEVELOPMENT GUIDE CONTRACTING LEVEL1

Type of Assignment	Representative Activities
1 - Operational Contracting	● Contracting functions in support of post, camp or stations
2 - Research and Development	● Contracting functions in support of research and development
3 - Sys Acquisition	● Contracting functions in support of systems acquisition to include all ACAT programs
4 - Logistics & Sustainment	● Contracting functions performed by the Defense Logistics Agency or by other offices to sustain weapon systems
5 - Construction/ A&E	● Contracting functions in support of construction and/or architect and engineering services
6 - Contingency/ Combat Ops	● Contracting functions performed in a contingency or combat environment
7 - Contract Admin Office	● Contracting function is primarily focused on contract administration
8 - Contract Cost/Price Analyst	● Contracting function is primarily focused on advanced cost/price analysis
9 - Small Bus Specialist	● Contracting function is primarily focused on advising small businesses or on strategies for maximizing use of small businesses
10 - Other	● Contracting functions that perform a variety of assignments or are at a headquarters, secretariat, or OSD

Core Certification Standards ("R" indicates Resident Instruction.)

Acquisition Training	● None required
Functional Training	<ul style="list-style-type: none"> ● CON 100 Shaping Smart Business Arrangements ● CON 110 Mission-Support Planning ● CON 111 Mission Strategy Execution ● CON 112 Mission-Performance Assessment ● CON 120 Mission-Focused Contracting (R) ● CLC 033 Contract Format and Structure for DoD eBusiness Environment
Education	<ul style="list-style-type: none"> ● At least 24 semester hours in accounting, law, business, finance, contracts, purchasing, economics, industrial management, market quantitative methods, or organization and management ● Baccalaureate degree (Any Field of Study)
Experience	● 1 year of contracting experience.

[illegible]



Changes to DAWIA Contracting Certification Courses

- **CON 100 converted from classroom to Distance Learning (DL) course**
- **CON 217, Contract Pricing and Negotiations converted from DL to hybrid course**
 - **32 hours pre-course covers 13 modules**
 - 60 days to take all 13 modules and knowledge assessments
 - **5 days resident classroom topics:**
 - Overview of Cost and Price Analysis
 - Introduction to Proposal Modeling using Excel
 - Statistics
 - Regression
 - Indirect Cost Analysis
 - Improvement Curve
 - Facilities Capital Cost of Money
 - Analyzing Profit or Fee



Changes to DAWIA Contracting Certification Courses

- 5 day resident classroom assessments**
 - All individual assessments**
 - Quiz 1 covers pre-course material (10%)**
 - Quiz 2 covers statistics and regression analysis (25%)**
 - Indirect cost analysis exercise and quiz (20%)**
 - Explanatory case study (5%)**
 - Integrating case study (40%)**
- HOT! HOT! HOT!**
 - Allow your employees the 32 hours, on duty time, to complete the pre-course work**
 - Allow your employees the opportunity to attend an excel basics course or familiarize themselves with Excel through the CBT (in Blackboard) provided**
 - We do not teach Excel, but do use it as a tool in proposal modeling and data analysis**



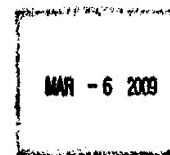
CON 090 - Contracting Fundamentals

- **Develop a four week foundational course for new hires into contracting career field**
 - **Complete immersion in the FAR, DFARS and PGI**
 - **Provides knowledge of contracting based on 28 technical competencies and 52 sub-elements deemed most important to the contracting community.**



ACQUISITION
TECHNOLOGY
AND LOGISTICS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000



MEMORANDUM FOR PRESIDENT, DEFENSE ACQUISITION UNIVERSITY

SUBJECT: New Contracting Course Architecture Requirements

Thank you for meeting with Ms. Delia Adams and me to discuss the contracting course requirements and development efforts.

I want to reiterate the basic course requirement which is complete immersion by new hires in the Federal Acquisition Regulation and the Defense Federal Acquisition Regulation Supplement. A model for development is the former Management of Defense Acquisition Contracts Course. Students will take the course in residence. It is not a comparison to current Level I courses nor is the intent to replace any current DAU course. Therefore, do not eliminate or change any current DAU course due to creation of this requirement. This course will be mandatory for all new hires within their first year of employment.

Again, the primary focus of this effort is to create a FAR/DFARS total immersion training course. Thank you and your staff for assuming this important task. My point of contact for this requirement is Ms. Delia Adams, Senior Procurement Analyst, who can be reached at 703-602-0710 or via e-mail at delia.adams@osd.mil.

Stuart A Hazlett
Stuart A. Hazlett

Deputy Director, Strategic Sourcing
Defense Procurement and Acquisition Policy



Strategy - Course Design

- **Module 1: Identify the basic principles of government contracting**
 - **Institutional Framework**
 - **Describe how procurement differs from other contractual instruments**
 - **Identify standards unique to government contracting**
 - **Describe the Federal Acquisition Regulation system**



Strategy - Course Design

- **Module 2: Describe the policies and procedures associated with acquisition/contract planning**
 - **Market research, methods of procurement, contract types, and socio-economic requirements**
 - **Small Business assistance**
 - **Proposal evaluation**
 - **Competition in Contracting Act**
 - **Required sources; unique requirements as applicable**



Strategy - Course Design

- **Module 3: Describe the policies and procedures for soliciting offers and making awards**
 - **Synopsis, pre-solicitation requirements**
 - **Protests, disputes and appeals**
 - **Contract responsibility**
 - **Specific requirements for different types of supplies/services (e.g. construction, GPC)**
 - **Required sources; unique requirements as applicable**



Strategy - Course Design

- **Module 4: Identify the basic principles of contract pricing**
 - **Differentiate between proposal analysis techniques**
 - **Contracting officer responsibility to determine prices “fair and reasonable”**
 - **Contract cost principles**
 - **Cost Accounting Standards familiarization**
 - **Truth in Negotiations Act familiarization**
 - **Field Pricing Assistance (e.g. DCMA, DCAA)**
 - **Documentation**
 - **Contract Financing as it relates to Contract Pricing**



Strategy - Course Design

- **Module 5: Describe the policies and procedures for post-award management of contractual actions**
 - **Contract Modifications**
 - **Contract Administration**
 - **Contract Financing and Payment**
 - **Contractor Past Performance**
 - **Contract Close out**



Methods of Instruction

- **Limited Lecture/Facilitated Discussion**
- **Research FAR/DFARS/PGI and web sources (e.g. ACC, AKSS, GAO Reports, DPAPSS)**
- **Reading Assignments**
- **Video Presentations**
- **Interactive Activities**
- **Case Studies**
- **Homework Assignments**
- **Build Electronic Informational Tool**



Timeline

- **Student pilots Jan and Feb 2010**
- **Final course update Mar 2010**
- **Course roll-out Apr 2010**



Prerequisites Level 1, DAWIA

- **CON 090: None (Effective 1 June 2010)**
- **CON 100 : None**
- **CON 110: CON 100**
 - **Note: no prerequisite is required for individuals with a Level I certification in Program Management.**
- **CON 111: CON 110**
- **CON 112: CON 111**
- **CON 120: CON 112, (CON 090, Effective 1 June 2010)**



Prerequisite Level 2, DAWIA

- **CON 214: CON 120**
- **CON 215: CON 214**
- **CON 216: CON 215.**
- **CON 217: CON 214/215/216**
 - **Note:** CON 215 not required for Industrial/ Contract Property
- **CON 218: CON 214/215/216/217**



Prerequisite Level 2, Assignment Specific

- **CON 232 (Overhead Management): CON 218**
- **CON 234 (Contingency Contracting): CON 120**
- **CON 235 (Advanced Pricing): CON 218 & CLC 131 Commercial Pricing**
- **CON 236 (Value Engineering): None**
- **CON 237 (SAP): None**



Prerequisite Level 2, Assignment Specific

- **CON 243 (A&E Contracting): CON 120**
- **CON 244 (Construction Contracting):
CON 120**
- **CON 250 (Fundamentals of CAS Part I):
CON 218 & CLC006 (Indirect Cost),
Recommended college accounting
course and CON 232**
- **CON 251 (Fundamentals of CAS Part II):
CON 250**
- **CON 260 A (Small Business Part I):
None**
- **CON 260 B (Small Business Part II):
CON 260 A and Level 2 in contracting**

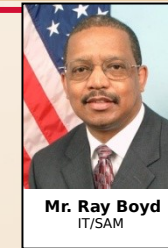
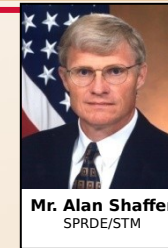
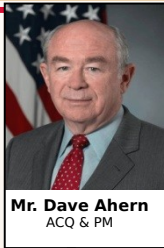
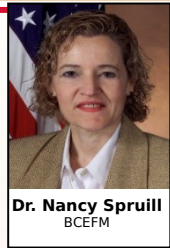


Prerequisite Level 3, DAWIA

- **CON 353: At least one year contracting/property experience after obtaining Level 2 certification in Contracting or Industrial/Contract Property Management**
- **CON 334, Advanced Contingency Contracting (New): CON 234 & CLC 007 Source Selection**



Functional Leaders



Functional Center Directors



Functional Leaders



Mr. Shay Assad
CON

Contracting Center Director



Mr. Lenny Manning
CON

Performance Learning Directors



Ray Ward



Leslie Deneault



John
Paciorek



Bryan Johns

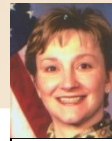


James Malloy

Learning Centers of Excellence



Marcia Richard



Renee
Butler



Learning Center of Center for Excellence



Lenny
Manning

Director, Pricing LCoE



Course Managers



CON 217 CM
Ernie Evans



CON 232
CM Bob
Williams



CON 235 CM Steve
Malashevitz



CON 250/251
Renee Butler

Learning Asset Managers



CLC 008 and 131
LAM Bob Williams



CLC 022 and
104 Craig
Kayfeng



CLC 024 LAM
Frank
Naughton



CLC 034 LAM
Alan Gilbreth



CLC 047 LAM
Kurt Chelf



CLC 018 LAM
Dave Lewis

Pending
Photo

CLC103 LAM
Ken Wright



Pricing LCoE Mission

Provide timely, relevant and mission enhancing research, faculty, and training, leading to products, services and assistance to the AT&L workforce in the pricing area



FY09 Pricing Initiatives

- **NEW! In-residence 5 day CON 217 - allows students to apply quantitative techniques in the classroom - prepares them for CON 218 capstone course**
- **Draft DoD Award Fee Guide provided to DPAP CPF 30 Apr 09**
- **Draft competency-based assessment completed and provided to DPAP CPF for incorporation into strategic plan**
- **Review of pricing related training (internal and external) on-going**
- **Follow-on survey to Fall 2007 Pricing Survey to determine pricing needs of operational commands**



FY09 Pricing Initiatives

- **Update of Contract Pricing Reference Guides completed**
 - Will be hosted on DAU's Acquisition Community Connection (ACC) Pricing and Negotiation Portal
 - Web-enabled
 - Linked to pertinent related information





FY10 Pricing Initiatives

- **Update to CON 217 (Cost Analysis and Negotiation Techniques) incorporating gaming and simulations**
- **Support DPAP CPF “revitalization” efforts from a training perspective**
 - **Core-plus? Cost/Price Analyst Track?**
 - **Professional Designations with SCEA/NCMA?**
- **Use of commercial product to prepare students for pricing courses**





Learning Assets

- **Courses**
 - **CON 217 Contract Pricing and Negotiations**
 - **CON 232 Overhead Management of Defense Contracts**
 - **CON 235 Advanced Contract Pricing**
 - **CON 250 Fundamentals of Cost Accounting Standards Part 1 (Modified CAS)**
 - **CON 251 Fundamentals of Cost Accounting Standards Part 2 (Full CAS)**



Learning Assets

- **Continuous Learning Modules**
 - **CLC 008, Indirect Costs**
 - **CLC 022, Profit Policy Revisions**
 - **CLC 024, Basic Math Tutorial**
 - **CLC 034, Provisional Award Fee Awareness**
 - **CLC 047, Contract Negotiation**
 - **CLC 103, Facilities Capital Cost of Money**
 - **CLC 104, Analyzing Profit or Fee**
 - **CLC 018, Contractual Incentives**
 - **CLC 131, Commercial Item Pricing**
 - **CLC 133, Contract Payment Instructions**



Learning Assets

- **Communities of Practice**
 - **Pricing and Negotiation**
 - **Award and Incentive Fee**
 - **Pension and Insurance Costs**



Pricing Issues

- **Contracting Officer Responsibility**
- **Proposal Analysis**
- **Proposal Analysis Techniques**
 - **Price Analysis**
 - **Cost Analysis**
 - **Cost Realism Analysis**
- **Commercial Pricing Issues**



Contracting Officer Responsibility

- **FAR 15.402 (a) Pricing Policy**
 - Contracting officers must purchase supplies and services from responsible sources at fair and reasonable prices.
- **FAR 15.404 Proposal Analysis**
 - (a) The objective of proposal analysis is to ensure that the final agreed-to price is fair and reasonable.
 - (2) Price analysis shall be used when cost or pricing data are not required
 - (3) Cost analysis shall be used to evaluate the reasonableness of individual cost elements when cost or pricing data are required. Price analysis should be used to verify that the overall price offered is fair and reasonable.
 - (4) Cost analysis may also be used to evaluate information other than cost or pricing data to determine cost reasonableness or cost realism.
 - (d)(2) Cost realism analyses shall be performed on cost-reimbursement contracts to determine the probable cost of performance for each offeror.
 - (d)(3)... may be used in performance risk assessments and responsibility determinations...for fixed price ...



Truth in Negotiations Act

- **Truth in Negotiation Act (TINA) says**
 - **MUST obtain cost or pricing data (certified) over \$650,000 UNLESS**
 - **Price Based on Adequate Price Competition (price is a substantial factor)**
 - **Two or more responsible offerors, competing independently, submit priced offers that satisfy the Government's expressed requirement**
 - **There was a reasonable expectation that two or more responsible offerors, competing independently, would submit priced offers in response to the solicitation's expressed requirement, even though only one offer is received from a responsible offeror**
 - **Price analysis clearly demonstrates that the proposed price is reasonable in comparison with current or recent prices for the same or similar items**
 - **Law or Regulation (mainly utilities)**
 - **Commercial Item**
 - **Waived by Head Of Contracting Activity**
 - **Use cost analysis for procurements over \$650,000 where an exception/waiver does not apply**



Commercial Items

- **FY08 Authorization Act (Sections 805 and 815) made a fundamental change to the definition of commercial items for the following**
 - **commercial item services**
 - **commercial item subsystem of a major weapon system that is not off-the-shelf**
 - **commercial component and spare parts for a major weapon that are not off-the-shelf**



Commercial Items

- **The definition is now tying price reasonableness into the commercial item determination by adding the following requirement**
 - **PCO determines in writing the offeror has submitted sufficient information to evaluate, through price analysis, the reasonableness of the price for (such services, such subsystem, such component or spare part)**



Commercial Items

- **In addition, the law states the KO may request the offeror to submit info to the extent necessary to make their determination**
 - **Prices paid for same or similar commercial items under comparable terms and conditions by both government and commercial customer and**
 - **If the KO determines the (above info) is not sufficient to determine the reasonableness of price, other relevant info regarding the basis for price or cost, including info on labor costs, material costs, and overhead rates**



Commercial Items

- **FY09 NDAA Section 868 adds definition of commercial “of a type” items that are of a type offered and sold competitively in substantial quantities in the commercial marketplace may be considered commercial items only if the contracting officer has determined in writing that the offeror has submitted sufficient information to evaluate, through price analysis, the reasonableness of the price for such services.”**



What Is Price Analysis?

Price analysis is the process of examining and evaluating a proposed price without evaluating its separate cost elements and proposed profit. (15.404-1(b)(1))



When Is Price Analysis Used?

- **Price analysis shall be used when cost or pricing data are not required. (15.404-1(a)(2))**

Examples: Commercial Acquisitions, TINA Waivers, Buys less than \$650k

- **Even when cost analysis is required, “Price analysis should be used to verify that the overall price offered is fair and reasonable.” (15.404-1(a)(3))**



Price Analysis Methods

- **Comparison of proposed prices received in response to the solicitation. (Preferred)**
- **Comparison of previously proposed prices and previous Government and commercial contract prices with current proposed prices (Preferred)**
- **Use of parametric estimating methods/application of rough yardsticks**
- **Comparison with competitive published price lists, published market prices of commodities, similar indices, and discount or rebate arrangements.**

FAR 15.404-

1(b)



Price Analysis Methods

- **Comparison of proposed prices with independent Government cost estimates.**
- **Comparison of proposed prices with prices obtained through market research for the same or similar items.**
- **Analysis of pricing information provided by the offeror**

FAR 15.404-1(b)



Price Analysis Steps

- **Step 1: Select Appropriate Prices for Comparison**
- **Step 2: Identify Factors that Affect Comparability**
- **Step 3: Determine Potential Impact of Factors on Prices Selected for Comparison**
- **Step 4: Adjust Prices Selected for Comparison**
- **Step 5: Compare Adjusted Prices to Proposed Price**
http://www.acq.osd.mil/dpap/cpf/contract_pricing_reference_guides.html



What is Cost Analysis?

Cost analysis is the review and evaluation of the separate cost elements and profit in an offeror's or contractor's proposal (including cost or pricing data or information other than cost or pricing data), and the application of judgment to determine how well the proposed costs represent what the cost of the contract should be, assuming reasonable economy and efficiency.



When is Cost Analysis Used?

- **Cost analysis shall be used to evaluate the reasonableness of individual cost elements when cost or pricing data are required.**
- **Cost analysis may also be used to evaluate information other than cost or pricing data to determine cost reasonableness or cost realism.**



What is Cost Realism Analysis?

Cost realism analysis is the process of independently reviewing and evaluating specific elements of each offeror's proposed cost estimate to determine whether the estimated proposed cost elements are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the unique methods of performance and materials described in the offeror's technical proposal.



When is Cost Realism Analysis Used?

- **Cost realism analyses shall be performed on cost-reimbursement contracts to determine the probable cost of performance for each offeror.**
- **Cost realism analyses may also be used on competitive fixed-price incentive contracts or, in exceptional cases, on other competitive fixed-price-type contracts when new requirements may not be fully understood by competing offerors, there are quality concerns, or past experience indicates that contractors proposed costs have resulted in quality or service shortfalls.**

Analysis Technique?

Competitive Cost

Contractor	Reimbursement		C
Proposed	\$2,450,000	\$2,750,450	\$2,735,670
Govt. MPC	\$2,950,670	\$2,750,000	\$2,850,650



Analysis Technique?

Competitive Cost

Contractor	Reimbursable	C
Proposed	\$2,450,000	\$2,735,670
Govt. MPC	\$2,950,670	\$2,850,650

DAU Analysis Technique?

Competitive Cost

Contractor	Reimbursable	Fixed Fee	C
Proposed	\$2,450,000	\$2,750,450	\$2,735,670
Govt. MPC	\$2,950,670	\$2,750,000	\$2,850,650

Price Analysis [15.404-1(b)]?

Cost Analysis [15.404-1(c)]?
 Cost Realism Analysis [15.404-1(d)]?

Analysis Technique?

Competitive Cost

Contractor	Reimbursable	Fixed Fee	C
Proposed	\$2,450,000	\$2,750,450	\$2,735,670
Govt. MPC	\$2,950,670	\$2,750,000	\$2,850,650

Price Analysis [15.404-1(b)]?

Cost Analysis [15.404-1(c)]?

Cost Realism Analysis [15.404-1(d)]?

DAU Analysis Technique?

Competitive Cost

Contractor	Reimbursable	Fixed Fee	C
Proposed	\$2,450,000	\$2,750,450	\$2,735,670
Govt. MPC Realism	\$2,950,670	\$2,750,000	\$2,850,650

Analysis [15.404-1(d)]

When?

- Each offeror, independently, in competitive acquisitions. [FAR 15.404-1(d)(1)]
- Shall be performed on cost-reimbursement contracts and results used to determine award. [FAR 15.404-1(d)(2)]
- May be used on FPI, or other FP contracts (in exceptional cases), to assess responsibility and performance risk (only). [FAR 15.404-1(d)(3)]

DAU Analysis Technique?

Competitive Cost

Contractor	Reimbursable	Fixed Fee	C
Proposed	\$2,450,000	\$2,750,450	\$2,735,670
Govt. MPC Realism	\$2,950,670	\$2,750,000	\$2,850,650

Analysis [15 USC 104-1(d)] When?

- Each offeror, independently, in competitive acquisitions using selected labor and related costs. [FAR 15.404-1(d)(1)]
- Shall be performed on cost-reimbursement contracts and results used to determine award. [FAR 15.404-1(d)(2)]
- May be used on FPI, or other FP contracts (in exceptional cases) to assess responsibility and performance risk

DAU Analysis Technique?

Competitive Cost

Contractor	Reimbursable	Fixed Fee	C
Proposed	\$2,450,000	\$2,750,450	\$2,735,670
Govt. MPC Realism	\$2,950,670	\$2,750,000	\$2,850,650

Analysis [15 USC 104-1(d)]

When?

- Each offeror, independently, in competitive acquisitions using selected labor and related costs. [FAR 15.404-1(d)(1)]
- Shall be performed on cost-reimbursement contracts and results used to determine award. [FAR 15.404-1(d)(2)]
- May be used on FPI, or other FP contracts (in exceptional cases) to assess responsibility and performance risk

DAU Analysis Technique?

Competitive Cost

Contractor	Reimbursable	Fixed Fee	C
Proposed	\$2,450,000	\$2,750,450	\$2,735,670
Govt. MPC Realism	\$2,950,670	\$2,750,000	\$2,850,650

Analysis [15 USC 104-1(d)]

When?

- Each offeror, independently, in competitive acquisitions using selected labor and related costs. [FAR 15.404-1(d)(1)]
- Shall be performed on cost-reimbursement contracts and results used to determine award. [FAR 15.404-1(d)(2)]
- May be used on FPI, or other FP contracts (in exceptional cases), to assess responsibility and performance risk (only). [FAR 15.404-1(d)(3)]



Analysis Technique?



Garmin
GPSMAP
~~\$7665~~
\$795



Magella
Magellanⁿ Triton
~~\$1500~~
\$399.99



Lowrance
iFINDER
~~\$420~~
\$269.00



Analysis Technique?



Garmin
GPSMAP
~~\$7665~~ \$95



Magella
Magellan Triton
~~\$150~~ \$399.99



Lowrance
iFINDER
~~\$420~~ \$269.00

Price Analysis [15.404-1(b)] ?

Cost Analysis [15.404-1(c)] ?

Cost Realism Analysis [15.404-1(d)] ?



Analysis Technique?



Garmin
GPSMAP
7665x95
\$799.95



Magella
Magellan Triton
1599
\$159.99



Lowrance
iFINDER
420
\$269.00

Price Analysis [15.404-1(b)] ?

Cost Analysis [15.404-1(c)] ?

Cost Realism Analysis [15.404-1(d)] ?



Analysis Technique?



Garmin

GPSMAP

~~\$7655~~ **\$95**



Magella

Magellan Triton

1500



Lowrance

iFINDER

H20

Price Analysis [15.404-1(b)] - When?

- May be used in combination with other techniques to ensure price is fair and reasonable [FAR 15.404-1(a)(1)]

- Must be used when cost or pricing data not required. [FAR 15.404-1(a)(2)]



Analysis Technique?



Garmin

GPSMAP

~~\$799~~ **\$995**



Magella

Magellan Triton

~~\$150~~ **\$399.95**



Lowrance

iFINDER

~~\$120~~ **\$269.00**

Price Analysis [15.404-1(b)] - When?

- May be used in combination with other techniques to ensure price is fair and reasonable. [FAR 15.404-1(a)(1)]

- Must be used when cost or pricing data not required. [FAR 15.404-1(a)(2)]



Analysis Technique?



Garmin

GPSMAP

~~\$799~~ **\$95**



Magella

Magellan Triton

~~\$150~~



Lowrance

iFINDER

~~\$20~~

Price Analysis [15.404-1(b)] - When?

- May be used in combination with other techniques to ensure price is fair and reasonable. [FAR 15.404-1(a)(1)]
- Must be used when cost or pricing data are not required. [FAR 15.404-1(a)(2)]



Analysis Technique?



Garmin

GPSMAP

~~\$799~~ ~~\$995~~ ~~\$995~~ ~~\$995~~



Magella

Magellan Triton

~~\$150~~



Lowrance

iFINDER

~~\$20~~

Price Analysis [15.404-1(b)] - When?

- May be used in combination with other techniques to ensure price is fair and reasonable [FAR 15.404-1(a)(1)]

- Must be used when cost or pricing data are not required. [FAR 15.404-1(a)(2)]

- Should be used even when cost or pricing data



Analysis Technique?

	<u>Ktr. Proposed</u>	<u>Gov. Objective</u>
Material	\$ 10,000,000	\$ 9,000,000
Material OH	\$ 1,000,000 10%	\$ 810,000 9.0%
Eng Labor	\$ 3,000,000	\$ 2,500,000
Eng O/H	\$ 3,000,000 100%	\$ 2,450,000 98.0%
Mfg Labor	\$ 12,000,000	\$ 11,000,000
Mfg O/H	\$ 24,000,000 200%	\$ 22,110,000 201.0%
ODC	<u>\$ 500,000</u>	<u>\$ 300,000</u>
Total Factory	\$ 53,500,000	\$ 48,170,000
G&A	<u>\$ 6,420,000</u> 12%	<u>\$ 5,539,550</u> 11.5%
Total Cost	\$ 59,920,000	\$ 53,709,550
Profit	<u>\$ 11,984,000</u> 20%	<u>\$ 6,445,146</u> 12.0%
Total Price	<u>\$ 71,904,000</u>	<u>\$ 60,154,696</u>



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- Price Analysis [15.404-1(b)] ?
- Cost Analysis [15.404-1(c)]?
- Cost Realism Analysis [15.404-



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- Cost Realism Analysis [15.404-1(d)]?



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Cost Analysis - When?

- Shall be used when cost or pricing data are required [FAR 15.404-1(a)(3)] or review of "information other than cost or pricing data"



Analysis Technique?

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Cost Analysis - When?

- Shall be used when cost or pricing data are required [FAR 15.404-1(a)(3)] or review of cost “information other than cost or pricing data” [FAR 15.404-1(c)(1)]



Questions?

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